

Message Text

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ACTION INR-07

INFO OCT-01 EUR-12 ISO-00 EB-07 SS-15 COME-00 SP-02 AID-05

NSC-05 CIEP-01 TRSE-00 STR-04 OMB-01 CEA-01 AGR-05

XMB-02 CIAE-00 NSAE-00 /068 W

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R 021423Z MAR 76

FM AMEMBASSY THE HAGUE

TO SECSTATE WASHDC 7689

C O N F I D E N T I A L THE HAGUE 1142

E.O. 11652: GDS

TAGS: EINV, EFIN, EEWT, ETRD, XG, XT

SUBJECT: FINANCING EASTERN EUROPE'S TRADE WITH THE WEST

REF: STATE 38308

1. NETHERLANDS FINANCE MINISTRY IS UNCONCERNED ABOUT EAST EUROPEAN INDEBTEDNESS. THERE HAVE BEEN NO DIFFICULTIES WITH PAYMENTS AND NO REQUESTS FOR RESCHEDULING. DUTCH INDUSTRY HAS NOT YET VOICED ANY COMPLAINTS OF LOST ORDERS DUE TO CREDIT-RELATED PURCHASE SLOWDOWNS OR TO UNAVAILABILITY OF CREDIT.

2. FINANCE MINISTRY NEVERTHELESS DESCRIBES ITS ATTITUDE ON LENDING TO EAST EUROPE AS "VERY CAUTIOUS." IN SPITE OF EXCELLENT PAYMENTS RECORD OF EAST EUROPEANS, FINANCIALLY CONSERVATIVE DUTCH STRESS THEIR DISCOMFORT AT THE LACK OF SATISFACTORY INFORMATION ON THE STATE OF THE EAST EUROPEAN ECONOMIES AND ON ABILITIES TO MEET PAYMENTS. CREDITWORTHINESS OF EASTERN EUROPEAN COUNTRIES VARIES FROM A LITTLE WORSE TO ABOUT THE SAME AS THAT OF THE UK IN DUTCH EYES.

3. COMMENT: DUTCH ARE NOT HEAVILY INVOLVED IN FINANCING IN EASTERN EUROPE AND THEIR EXPERIENCE HAS BEEN GOOD. DISCUSSIONS WITH FINANCE MINISTRY INDICATE THAT IT CONSIDERS CREDIT OF EASTERN EUROPE IMPLICITLY UNDERWRITTEN BY USSR, WHOSE CREDIT IS ASSURED BY GOLD AND OIL. HOWEVER, IN VIEW OF
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EXPECTED GROWTH OF EAST EUROPEAN INDEBTEDNESS IN THE FUTURE,

DUTCH WOULD WELCOME MORE INFORMATION ON EAST EUROPEAN ECONOMIC
PROSPECTS, POSSIBLY VIA EXCHANGE OF INFORMATION WITH OTHER
CREDITORS.
GOULD

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: EAST WEST TRADE, DEBT REPAYMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 02 MAR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
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Document Unique ID: 00
Drafter: n/a
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Executive Order: GS
Errors: N/A
Film Number: D760079-0476
From: THE HAGUE
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1976/newtext/t197603102/aaaadlztel
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Reference: 76 STATE 38308
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Review Comment: n/a
Review Content Flags:
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To: STATE
Type: TE
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